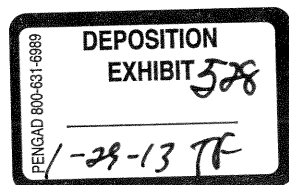


EXHIBIT 74



CURRENT OPPORTUNITIES IN THE NON-AGENCY MARKET

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[CLIENT NAME]

Agenda

	Page
JP Morgan presentation	3
JP Morgan mortgage banking qualifications	7
Acquisition and securitization process	13
Deal description and performance overview	23
JPMMT 2006-A4 economics	33
Exhibit 1	38

CURRENT OPPORTUNITIES IN THE NON-AGENCY MARKET



[CLIENT NAME] 1

The economic landscape provides a solid underpinning for growth in 2006. . .

MARKET OVERVIEW

Key economic indicators

- US expansion still has a solid foundation
 - Corporate profits and household labor income are rising solidly, providing a foundation for broad-based demand gains
 - Relative to historic norms, borrowing costs are low, credit spreads are narrow and financing is easy to obtain
 - Both corporate and household sectors have taken advantage of an environment of rising incomes and low borrowing rates to obtain
- Reverberations from shocks are expected to lift growth and core inflation at the start of 2006
- The main event: rotations in demand driven by higher borrowing costs, stabilizing energy prices and firmer global demand
- Shift from accommodative to neutral financial conditions expected to rotate demand away from interest sensitive parts of the economy
- Underlying support for growth from US corporate hiring and spending should remain in place, without significant stress on corporate and household balance sheets
- Stable energy prices provide a boost to household purchasing power
- Firm global demand boost US exports
- Core inflation drifts higher as core service price inflation responds to tight labor markets
- The US economy does not appear to be overheating and the forecast does not anticipate a sharp accelerations in core inflation in 2006
- 2% consumer spending growth in 2Q 2006
- Government's estimate of 1Q06 real GDP growth was revised up less than expected, to 5.3% vs. a consensus forecast of 5.8%.

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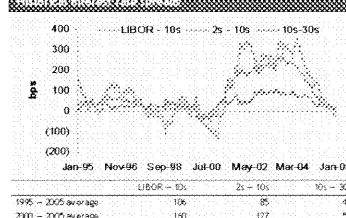
Key economic indicators

	1Q06	2Q06	3Q06	4Q06	1Q07
Real GDP (QoQ saar)	5.3	7.5%	3.0%	3.0%	3.5%
Core CPI (YoY)	2.4	3.1	2.7	2.8	2.9
Unemployment rate	4.7	4.6	4.6	4.5	4.5

Key economic indicators

	Latest	2Q06	3Q06	4Q06	1Q07
Fed funds target	5.00%	4.75%	5.00%	5.00%	5.00%
3-month LIBOR	5.23	5.20	5.40	5.60	5.80
2-year U.S. Treasury	4.94	5.00	5.25	5.60	5.70
10-year U.S. Treasury	5.05	5.15	5.35	5.70	5.80
LIBOR - 2s curve (bps)	(0.29)	(0.20)	(0.15)	(0.00)	(0.10)
2s - 10s curve (bps)	0.11	0.15	0.10	0.10	0.10

Key economic indicators



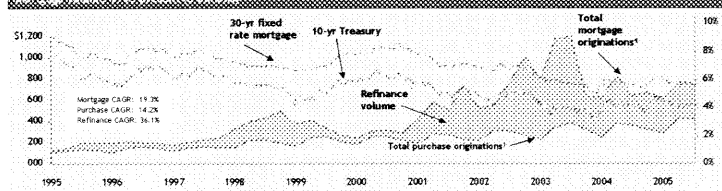
Source: JPMorgan; market data as of January 6, 2006

[CLIENT NAME] 2

... but prospects for the mortgage industry remain strong

- Mortgage debt outstanding should increase by close to 10% in 2006 to almost \$10 trillion (more than double 1999 levels)
- Strong demographic trends favor continued growth of mortgage debt outstanding in the high single digits for the foreseeable future
- These trends favor strong earnings growth potential for companies that are successful at capturing market share from competitors
- New originations are expected to be in the range of \$2 trillion which, though off of 2003's high of \$3.7 trillion, is still higher than the peak originations before the housing boom (\$1.6 trillion in 1998)
- In addition to home price appreciation, the growth of ARMs as a percentage of mortgages outstanding should help keep originations higher in the future as borrowers seek to prepay / refinance their loans more frequently vis-à-vis fixed rate loans
- The continued growth in outstanding mortgages and a pause in Fed tightening should help net interest margin growth for prime ARM lenders in the second half of 2006
- Credit quality throughout the credit spectrum should remain stable given expectations for unemployment, GDP and disposable income. However, subprime borrowers may come under some pressure as 2003 and 2004 vintage hybrid ARMs begin to reprice
- Prime margins may experience additional pressure as declining volume forces lenders to fight for a market share

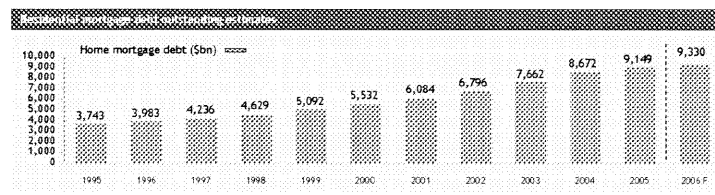
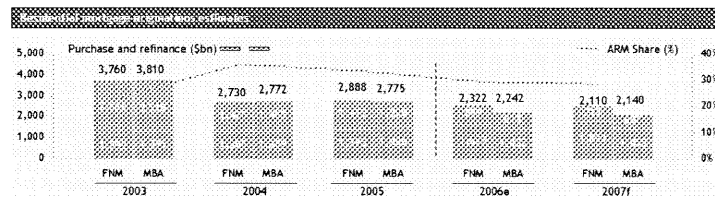
MARKET OVERVIEW



JPMorgan

[CLIENT NAME] 3

2006 expectations: total originations in the range of \$2 trillion and mortgage outstandings approaches \$10 trillion

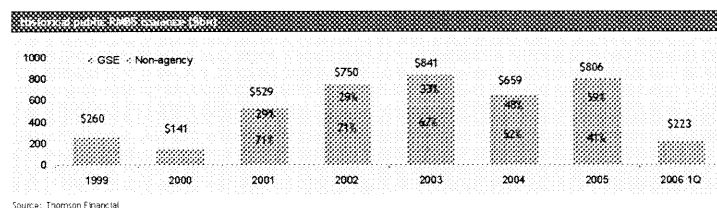
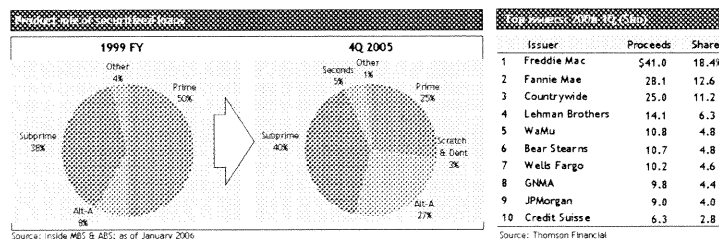


MARKET OVERVIEW

JPMorgan

[CLIENT NAME] 4

Non-agency issuance continues to grow as a share of MBS issuance with large banks and dealer conduits dominating the market

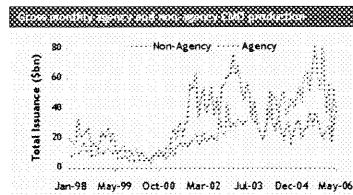


MARKET OVERVIEW

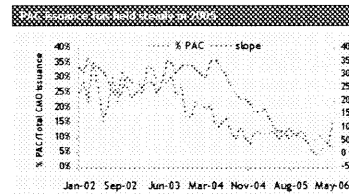
JPMorgan

[CLIENT NAME] 5

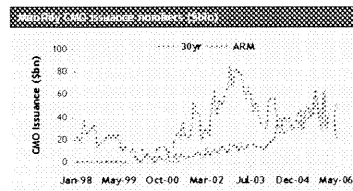
CMO issuance remained strong through 2006



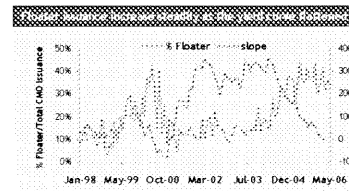
Source: Bloomberg



Source: Bloomberg



Source: Bloomberg



Source: Bloomberg

MARKET OVERVIEW

JPMorgan

[CLIENT NAME] 6

Agenda

	Page
Market overview	1
JPMorgan mortgage banking qualifications	7
Acquisition and securitization process	13
Deal description and performance overview	23
JPMMT 2006-A4 economics	33
Exhibit 1	38

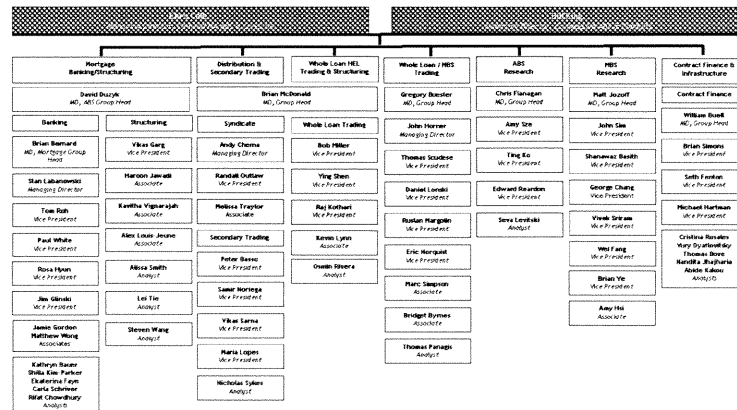
CURRENT OPPORTUNITIES IN THE NON-AGENCY MARKET

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[CLIENT NAME] 7

Comprehensive team of MBS professionals

JPMORGAN MORTGAGE BANKING QUALIFICATIONS



JPMorgan

[CLIENT NAME] 8

JPMorgan offers a full service platform for mortgage originators

JPMORGAN MORTGAGE BANKING QUALIFICATIONS

Origination & Underwriting

- JPMorgan covers a number of banks, mortgage companies and REITs
- Transaction expertise exists with third party clients and JPMAC, JPALT, CFLEX and JPMWT
- Services include managing term securitizations, advisory work, new originator/issuer securitizations, new product development and valuation of held securities such as residuals

Trading and Distribution

- The whole loan trading desk purchases prime, Alt-A and subprime paper on a bulk and flow basis
- The desk provides structuring, market and asset expertise to support and facilitate other lines of business across the firm including MBS originations, syndicate, financing, investment banking and various sales and trading groups

Warehouse & Aggregation

- JPMorgan is a leading provider of warehouse and aggregation facilities for mortgage originators

Asset Servicing

- JPMorgan's derivative practice is consistently recognized as one of the top dealers globally

Asset-Servicing Solutions

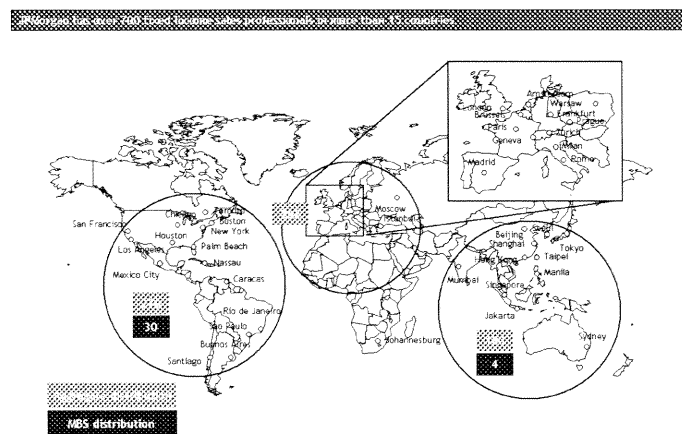
- 4th largest servicer by volume
- Highly rated by S&P and Moody's
 - SQ1 by Moody's as servicer of prime and subprime loans
 - Strong/Stable by S&P as servicer of prime and subprime loans

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[CLIENT NAME] 9

JPMorgan's global distribution platform provides our clients with access to the leading institutional investors across the world

JPMORGAN MORTGAGE BANKING QUALIFICATIONS



[CLIENT NAME] 10

JPMorgan is a top underwriter of mortgage-backed securities and home equity ABS

JPMORGAN MORTGAGE BANKING QUALIFICATIONS

<p>\$ 1,456,710,000</p> <p>AMERQUEST</p> <p>Amerquest Securities, Inc. Series 2006-W3 Co-lead Manager March 2006</p>	<p>\$ 737,500,000</p> <p>GMAC RFC</p> <p>Residential Asset Mortgage Products Series 2006-NC2 Co-lead Manager February 2006</p>	<p>\$ 937,292,000</p> <p>CREDIT</p> <p>Credit Based Asset Servicing and Securitization, LLC Series 2006-CB2 Co-lead Manager February 2006</p>	<p>\$1,274,156,000</p> <p>GMAC Mortgage</p> <p>GMACM Series 2006-HE1 Lead Manager December 2005</p>	<p>\$ 384,357,000</p> <p>Flagstar</p> <p>Flagstar Home Equity Loan Trust Series 2006-1 Lead Manager April 2006</p>	<p>\$ 1,446,671,000</p> <p>JPMorgan</p> <p>JPMAC Series 2005-0PT1 Lead Manager July 2005</p>
<p>\$ 840,515,000</p> <p>GMAC RFC</p> <p>Residential Asset Securities Corp. Series 2006-W51 Co-lead Manager January 2006</p>	<p>\$174,007,000 CAD</p> <p>BAYVIEW</p> <p>Bayview Commercial Asset Trust 2006-AC1 Lead Manager June 2006</p>	<p>\$69,775,726</p> <p>CHASE</p> <p>ChaseTrust Series 2006-1 Side Manager May 2006</p>	<p>\$1,000,207,000</p> <p>JPMorgan</p> <p>J.P. Morgan Alternative Loan Trust 2006-A2 Side Manager April 2006</p>	<p>\$ 1,956,264,000</p> <p>AMERQUEST</p> <p>Amerquest Securities, Inc. Series 2005-R10 Co-lead Manager November 2005</p>	<p>\$1,285,956,000</p> <p>GMAC RFC</p> <p>Residential Asset Securities Corp. Series 2005-W510 Co-lead Manager October 2005</p>
<p>\$840,515,000</p> <p>HOME BANC</p> <p>HomeBanc Mortgage Trust 2006-1 Lead Manager March 2006</p>	<p>\$274,007,000</p> <p>NEW YORK</p> <p>New York Mortgage Trust 2006-1 Lead Manager March 2006</p>	<p>\$1,274,156,000</p> <p>GMAC</p> <p>GMAC Home Equity Loan Trust Series 2006-HE1 Lead Manager March 2006</p>	<p>\$548,064,958</p> <p>Countrywide</p> <p>Alternative Loan Trust 2006-708 Lead Manager (Subs) March 2006</p>	<p>\$1,456,710,000</p> <p>AMERQUEST</p> <p>Amerquest Securities, Inc. Series 2006-W3 Joint Lead Manager March 2006</p>	<p>\$624,771,747</p> <p>Countrywide</p> <p>Alternative Loan Trust 2006-103 Lead Manager (Subs) March 2006</p>
<p>\$477,241,000</p> <p>AMERQUEST</p> <p>Amerquest General Mortgage Loan Trust 2006-1 Joint Lead Manager February 2006</p>	<p>\$777,680,000</p> <p>GMAC RFC</p> <p>RAAF Series 2006-WC2 Trust Joint Lead Manager February 2006</p>	<p>\$977,202,000</p> <p>CREDIT</p> <p>Credit Based Asset Servicing and Securitization, LLC Series 2006-CB2 Lead Manager February 2006</p>	<p>\$219,795,465</p> <p>GMAC RFC</p> <p>RAAF Series 2006-Q1 Trust Lead Manager (Subs) January 2006</p>	<p>\$840,515,000</p> <p>GMAC RFC</p> <p>RAAF Series 2006-W51 Trust Joint Lead Manager January 2006</p>	<p>\$800,000,000</p> <p>Flagstar</p> <p>Flagstar Home Equity Loan Trust 2006-1 Lead Manager December 2005</p>

JPMorgan

[CLIENT NAME] 11

JPMorgan has significant deal experience in MBS / home equity ABS

JPMorgan Mortgage Banking Qualifications									
Deal	Role	Amount	Deal	Role	Amount	Deal	Role	Amount	
HNMT 2006-Q1	Lead	456,640,241	RAU 2006-Q2	Lead subs	5881,679,620	RASC 2005-HS10	Joint lead	1,000,000,254	
HNMT 2006-Q1	Lead	277,403,071	OGWLT 2006-1	Co-manager	2,919,178,000	ARSI 2005-W2	Co-manager	395,000,000	
CWALT 2006-12CB	Lead subs	624,731,141	JPMAC 2006-FRE1	Lead	974,944,000	JPMAC 2005-WMC1	Lead	1,393,615,000	
CWALT 2006-07CB	Lead subs	552,857,223	JPMBS 2006-R1	Lead	286,000,000	CMFC 2005-S2	Lead	744,001,582	
BAYV 2006-8	Co-manager	5405,159,000	RASC 2006-HS1	Joint lead	840,115,000	CWALT 2005-59CB	Lead subs	627,999,998	
JPMWT 2006-A2	Lead	2,602,012,830	MSAC 2006-WMC1	Co-manager	807,414,000	JPMWT 2005-A07	Lead	1,149,537,395	
JPMWT 2006-S1	Lead	784,610,528	CMFC 2005-A2	Lead	1,075,062,416	JPMWT 2005-AL11	Lead	636,537,550	
CWHEQ 2006-S2	Co-manager	1,050,000,000	JPMWT 2005-S3	Lead	1,279,162,244	OGWLT 2005-4	Co-manager	1,957,505,000	
GMACM 2005-HE1	Lead	1,274,156,000	JPAL1 2005-A2	Lead	542,754,351	GMACM 2005-HE3	Co-manager	963,680,000	
JPMAC 2006-FRENT	Lead	31,500,000	CWALT 2005-85CB	Lead subs	1,034,817,364	RAMP 2005-EFC4	Joint lead	718,243,000	
NCHET 2006-1	Co-manager	1,328,077,000	SAST 2005-4	Co-manager	5627,940,000	RASC 2005-HS9	Lead	500,000,000	
JPMAC 2006-WMC1	Lead	1,143,778,000	JPMAC 2005-8PT2	Lead	927,515,000	CWALS 2005-10	Co-manager	726,876,000	
ARSI 2006-W2	Joint lead	1,456,310,000	FSTAR 2005-1	Lead	600,000,000	CWALT 2005-44CB	Lead subs	1,156,999,999	
MSHEL 2006-2	Co-manager	954,402,000	HMT 2005-05	Co-manager	962,165,900	HMT 2005-04	Co-manager	1,120,598,100	
CWABS 2006-4	Co-manager	631,150,000	JPAL1 2005-S01	Lead	1,280,220,810	JPMWT 2005-S02	Lead	1,317,534,797	
JPMAC 2006-FRE2	Lead	930,696,000	CWALT 2005-45CB	Lead subs	988,531,982	JPMWT 2005-A06	Lead	1,464,752,392	
RAU 2006-Q2	Lead subs	881,679,620	CMFC 2005-A01	Lead	1,900,007,729	WAMU 2005-AR12	Joint lead	1,054,246,240	
JPAL1 2006-S1	Lead	980,784,343	WAMU 2005-AR16	Joint lead	594,385,196	RASC 2005-HS8	Joint lead	51,165,800,000	
JPAL1 2006-A1	Lead	867,122,631	CWABS 2005-AB4	Co-manager	1,592,000,000	AMS 2005-R7	Joint lead	1,500,000,000	
RAMP 2006-NC2	Joint lead	737,580,000	JPMAC 2005-FRE1	Lead	934,011,000	HFCMC 2005-2	Co-manager	1,020,900,000	
AGFMT 2005-Q1	Lead	457,261,000	AMS 2005-R10	Joint lead	1,956,264,000	JPMWT 2005-A05	Lead	1,195,014,922	
JPMAC 2006-HE1	Lead	599,539,000	RAMP 2005-EFC6	Joint lead	686,443,000	JPMAC 2005-FLD1	Lead	1,016,612,000	
CBASS 2006-CB2	Lead	545,810,000	ARSI 2005-W4	Co-manager	2,400,000,000	RASC 2005-HS7	Lead	387,600,000	
ARSI 2006-W2	Co-manager	821,095,000	OGWLT 2005-5	Co-manager	783,405,000	JPMAC 2005-8PT1	Lead	1,446,677,000	
MSAC 2006-HE1	Co-manager	1,167,178,000	HELT 2005-3	Co-manager	775,750,000	OGWLT 2005-3	Co-manager	942,941,000	
BAYV 2006-A	Co-manager	768,483,000	CWALT 2005-57CB	Lead subs	826,058,121	CWALT 2005-28CB	Co-manager	841,999,810	
CWABS 2006-2	Co-manager	879,175,000	CMFC 2005-S3	Lead	764,521,120	JPMWT 2005-A04	Lead	940,386,486	
RAU 2006-Q21	Lead subs	323,843,583	JPMWT 2005-A08	Lead	1,970,261,094	HELT 2005-1	Co-manager	918,850,000	
JPMWT 2005-A1	Lead	831,289,125	CBASS CB7	Lead	423,019,000	PPSI 2005-WCW2	Co-manager	2,341,201,000	

JPMORGAN MORTGAGE BANKING QUALIFICATIONS



[CLIENT NAME] 12

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Agenda

	Page
Market overview	1
JPMorgan mortgage banking qualifications	7
Acquisition and securitization projects	13
Deal description and performance overview	23
JPMMT 2006-A4 economics	33
Exhibit 1	38

CURRENT OPPORTUNITIES IN THE NON-AGENCY MARKET



[CLIENT NAME] 13

Acquisition Strategies

- Initial focus on acquiring bulk packages from large originators who have a broad relationship with JPMorgan
- JPMorgan has begun acquiring medium size bulk packages, which are combined to create multi-seller securitizations
- Loans are purchased to the seller's underwriting guidelines
- High level guidelines require that all current purchases meet the following criteria:
 - FICO greater than 500
 - LTV/CLTV less than or equal to 100%
 - No predatory or high cost loans

ACQUISITION AND SECURITIZATION PROCESS

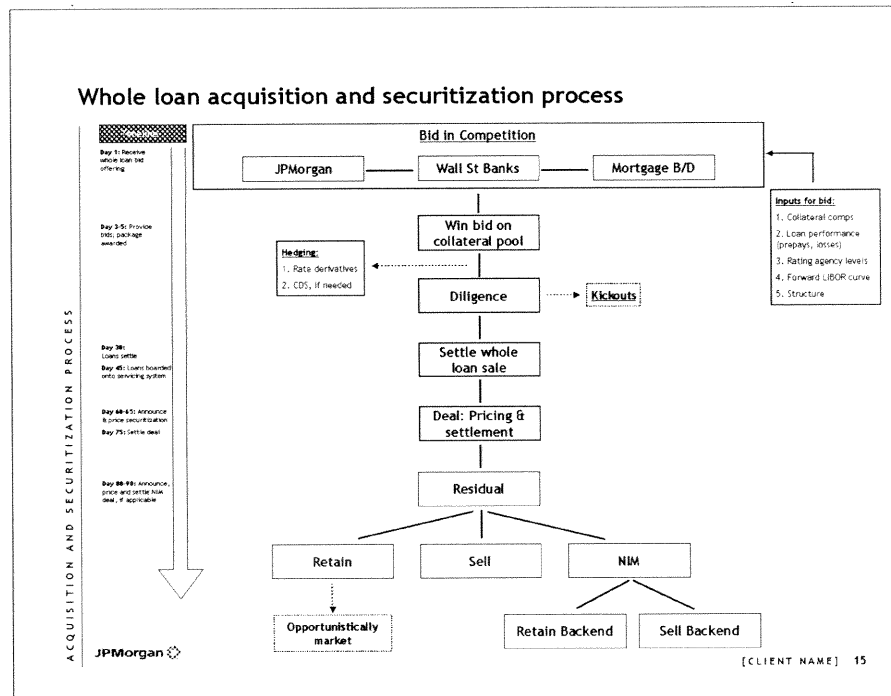
- Large bulk packages of \$500MM+ for placement into single name securitizations
 - Transparency of information
 - Historical performance and collateral
 - Rating agency levels and enhancements
 - Market color on execution (i.e. spreads, investors, structures, etc)
 - Lower transaction costs
 - Convenient and easier transaction execution
 - Ability to leverage existing relationships in the IB and CHF
 - Lowest securitization margin

- Medium purchases of \$50 - \$300MM for aggregation into multi-seller securitizations
 - Less transparency of performance and market color
 - Higher transaction costs
 - Wider profit margin
 - Existing clients or potential clients

- Smaller packages and loan level acquisitions represent a future opportunity
 - Allows for greater profit margin
 - Requires a "flow" infrastructure capable of handling individual loan purchase and sales
 - Requires development of JPMAC pricing/UW guidelines
 - 100% due diligence on loans
 - Partnership with CHF to leverage underwriting/boarding infrastructure required

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[CLIENT NAME] 14



Counterparty approval

ACQUISITION AND SECURITIZATION PROCESS

Approved counterparties	Approved counterparties
<ul style="list-style-type: none"> ■ PHH ■ NatCity ■ Accredited ■ Ameriquest ■ Countrywide ■ Equifirst ■ Fieldstone ■ First Franklin ■ Fremont ■ GMAC RFC ■ New Century ■ Novastar ■ Option One ■ Ownit ■ ResMAE ■ Wells Fargo ■ WMC 	<ul style="list-style-type: none"> ■ JPMAC will only trade with counterparties that have received approvals from appropriate risk representatives. The approval is based on: <ul style="list-style-type: none"> ■ Existing relationships or sponsorship within the IB or CHF ■ Financial condition and reputation of the counterparty ■ Servicer rating ■ Industry best practices ■ Solid underwriting platform and approved guidelines ■ Strategic firm-wide opportunities ■ A comprehensive loan pool analysis detailing collateral composition and historical performance ■ On initial purchases, Principal Risk Management reviews model assumptions for each counterparty before submitting bids ■ On-site due diligence is performed by members of the Transaction Management, Banking and Trading teams (refer to exhibit 1 for detailed due diligence process)

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[CLIENT NAME] 16

Bid Process

All incoming loan pools are evaluated using a prospective securitization exit strategy

- Comps to similar collateral pools are reviewed including key statistics such as LTV, FICO, Documentation Type, Product Mix, etc
- Whole loan pools are compared against historical pools from the seller
- Affordability loans (e.g. IOs and 40yr balloons) are reviewed for proper risk pricing and compensating factors
- Loans are reviewed to ensure appropriate geographic diversification

- Rating agency feedback on pools are used to tranche the prospective bond sizes
- Enhancement and loss coverage levels are compared on a pool-to-pool basis
- Reasonable adjustments are made to the rating agency levels to reflect potential market movements at time of securitization

- JPMorgan uses 2 loan level models to create an initial set of loss and prepay forecasts - Loan Performance and proprietary model
- The models uses loans specific collateral characteristics (LTV, FICO, Doc Type, etc) and incorporates expectations about interest rates and housing prices (at the MSA level)
- The simulation engines provide the magnitude and timing of prepaids and losses for use in cashflow modeling
- ABS/MBS Research team reviews the assumptions for quality control purposes

- After coordinating with syndicate desk for market spreads, the prepay and loss assumptions, along with forward LIBOR assumptions and credit enhancement, are incorporated to develop a structure and evaluate economics
- Valuations are stressed for optimal alternatives and implementation of various interest rate derivatives

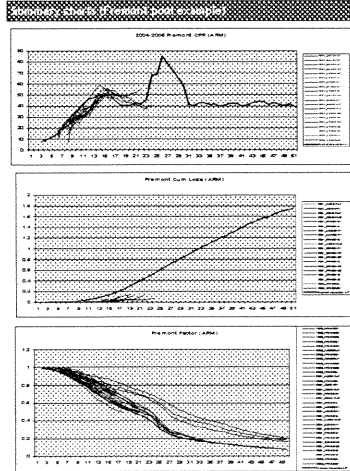
ACQUISITION AND SECURITIZATION PROCESS

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[CLIENT NAME] 17

Risk Models

ACQUISITION AND SECURITIZATION PROCESS



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Projecting future performance

- The collateral data tape is fed into the Loan Performance Risk model where it is analyzed on a loan level basis for defaults, severities and prepaes
- Variables such as FICO, doc type, CLTV, occupancy and product type are assessed
- The LP Model is used to forecast credit and prepayment risk based on loan level characteristics of the bid pools
- Prepay and loss curves play a tremendous role in determining the size of the excess cashflow strip
- The model estimates a distribution of possible future prepay and loss vectors by performing multiple simulations of future interest rates and housing paths
- Housing prices are simulated using 20 years of historical MSA level home price appreciation data
- Projected vectors are compared to historical performance
- ABS Trading is developing an issuer-specific proprietary model to enable more robust valuation of loan pools
- Supported by a large public and internal mortgage database
- Collaborating with CHF to gather, analyze and assess raw mortgage data

[CLIENT NAME] 18

On-going Portfolio Surveillance

Post closing, Transaction Management and Trading Desks perform on-going monitoring of assets - both assets in inventory as well as sold positions

- Monitor inventory for performance and quality
- Monitor securitized assets for prepayment and credit performance at dealer and counterparty level
- Monitor purchase agreement covenants, reps and warranties and take action as appropriate
 - Early payment default
 - Premium recapture
- On-going counterparty contractual performance review
- Third party trust oversight managers
 - Pentalpha Surveillance LLC
 - Clayton Fixed Income Services

ACQUISITION AND SECURITIZATION PROCESS

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[CLIENT NAME] 19

Pentalpha Surveillance LLC

- Pentalpha Surveillance LLC provides loan-level oversight services for domestic and international structured finance trusts
- Primary product - Pentalpha Recovery and Optimization (PRO services)
 - Review monthly work of loan servicers, insurers, derivative counterparties, fund managers and indenture trustees
 - Ensures compliance of third party agents with their trust obligations
 - Maximizes timely cash flow to trusts
 - Minimizes downgrade risk to bonds
 - Provides collateral and operational benchmark services
- Other services include:
 - Investment management advice
 - Strategic planning advisory
 - Workout services
 - Valuation opinions
 - Model validations
 - Operational consulting
 - Due Diligence services
 - Litigation support

ACQUISITION AND SECURITIZATION PROCESS

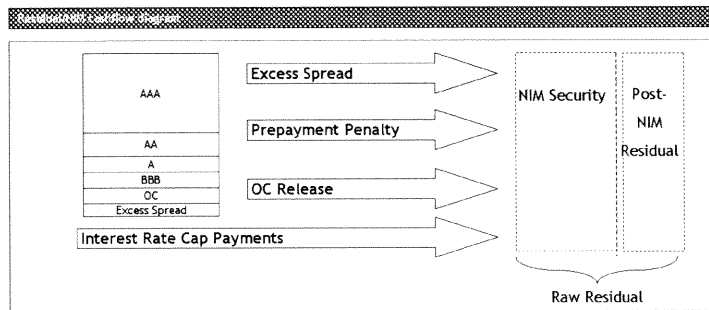


[CLIENT NAME] 20

Residual Risks and Mitigants

- Post-securitization, a residual is created and held by JPM. Several alternatives exist for retaining or distributing some or a portion of this risk
 - Retain entire residual
 - NM the front-end of the residual and retain the back-end Non-IG piece
 - Investment grade residuals: first 24 months of cashflow that is relatively less susceptible to the adverse effects of the loss curve
 - Non-investment grade residuals: the unrated backend cashflow is more negatively impacted by the adverse effects of the loss and prepay curve
 - Sell some portion of the entire residual
- Main sources of cashflow for residuals and NIM securities:
 - Excess spread - the difference between the net interest rate on the loans and the coupons on the bond
 - Overcollateralization release - portion of fully funded OC can be released to NIM, provided that certain triggers are met
 - Prepayment penalty - penalty fees are pledged to the residual/NIM security
 - Interest rate cap agreements - hedges interest rate risk during bear market scenarios

ACQUISITION AND SECURITIZATION PROCESS



JPMorgan

[CLIENT NAME] 21

Residual Risks and Mitigants (continued)

- Any retained residual is exposed to the following risks:

Risks	Mitigants
Interest Rate Movement	<ul style="list-style-type: none"> ■ BPV analysis: libor stress scenarios on residual value ■ Hedge with Eurodollar futures, caps, swaps
Credit Losses	<ul style="list-style-type: none"> ■ Extensive front-end due diligence ■ Comprehensive collateral analysis ■ Forecasting of credit and prepayment risk on loan level characteristics ■ Collateral guidelines (see Warehouse Risk and Mitigants) ■ Top rated servicing ■ CHF on most servicing released bids; exceptions are made for partnerships with upper tier servicing arms ■ Only accept retained packages from upper tier servicers ■ Third party surveillance: Pentalpha, Clayton ■ Loan level servicing oversight ■ Loss mitigation review ■ Also provide reconciliation on waterfall, embedded derivatives, prepay penalties, etc.
Prepayments	<ul style="list-style-type: none"> ■ Significant prepay penalty coverage ■ Premium recapture on early prepays
Model Risk	<ul style="list-style-type: none"> ■ Monthly/quarterly Residual Review Committee meetings

ACQUISITION AND SECURITIZATION PROCESS

JPMorgan

[CLIENT NAME] 22

Agenda

	Page
Market overview	1
JPMorgan mortgage banking qualifications	7
Acquisition and securitization process	13
Loan origination and performance overview	23
JPMMT 2006-A4 economics	33
Exhibit 1	38

CURRENT OPPORTUNITIES IN THE NON-AGENCY MARKET



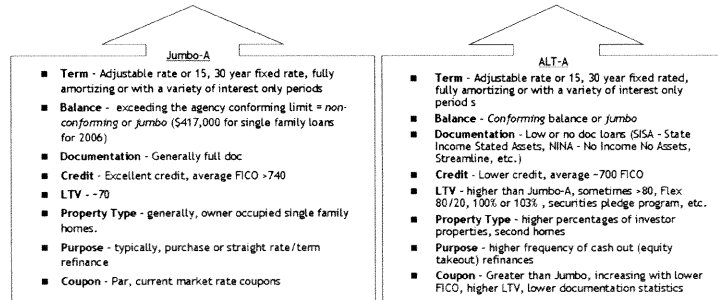
[CLIENT NAME] 23

Non-Agency Collateral

Non-Agency - residential mortgage loans that do not meet (do not conform to) the Government Sponsored Entities' (FNMA, FHLMC, GNVA) Guidelines for Delivery due to one or a combination of the following factors:

- The mortgage balance exceeds the amount permitted by the agency
- The borrower characteristics fail to meet the underwriting standards established by the agency
- The loan characteristics fail to meet the underwriting standards established by the agency
- The loan documentation required by the agency is not complete due to either borrower's inability to provide or lender's decision to waive

Non-Agency collateral is differentiated into Prime (Jumbo-A) and Alternative or (Alt-A):



Source: JPMorgan Securities Inc.

JPMorgan

[CLIENT NAME] 24

DEAL DESCRIPTION AND PERFORMANCE OVERVIEW

JPMorgan Securities Non-Agency Business Model

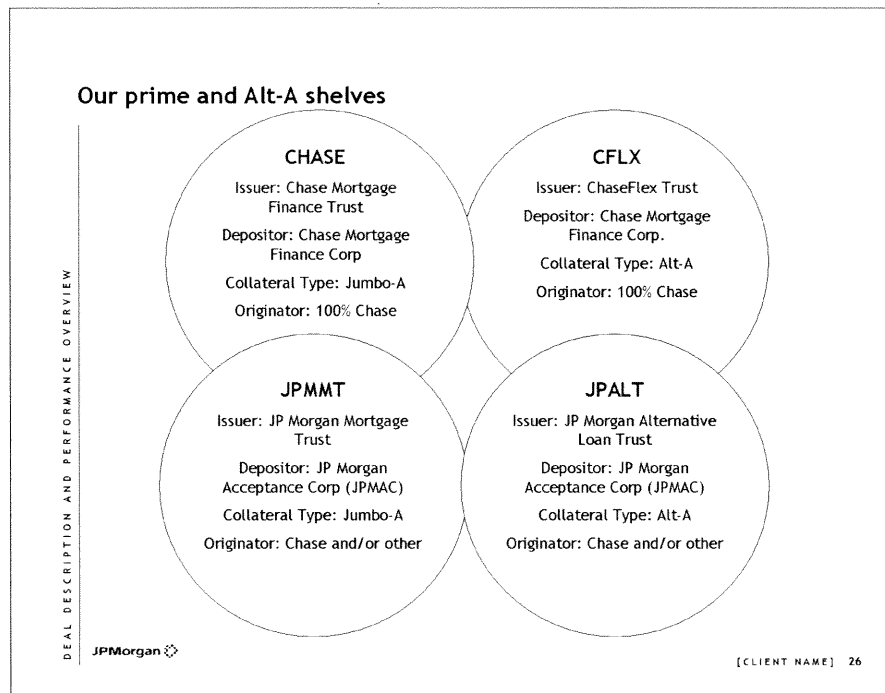
Best Credit & Strong Due Diligence = Top Performance

DEAL DESCRIPTION AND PERFORMANCE OVERVIEW

- JPMorgan purchases residential loans on a flow and bulk basis from highly-rated, proven originators and programs.
- Primary source of collateral is Chase Home Finance, thru flow and bulk programs.
- Other sellers are proven, highly rated originators. Including: Cendant (PHH), Countrywide, Nat City, Wells Fargo
- Upon acquisition we do additional due diligence, compliance, valuation and other checks, above and beyond the originators' process.
- Depending on the type of product, loans are securitized off different JPMorgan shelves: (JPMWT, JPALT, CFLEX, CHASE, JPMAC)
 - First JPMWT Deal was in 2003. Total program issuance thru Jun 2006 is transactions consisting of ~ \$20bn
 - ARM Issuance is ~ \$20bn
 - Cleanest Jumbo A shelf in the marketplace today. De minimus 90+ delinquent

JPMorgan 

[CLIENT NAME] 25



The Alternative-A market

Alt-A Borrower Definition

- The definition of what constitutes an "Alt-A" loan has changed over the last 5 years. Traditionally, Alt-A borrowers were those that had strong "A" credit but had non-standard needs - typically with respect to documentation. This market was originally constructed for those individuals, usually self employed borrowers, who wanted a quick mortgage decision and were willing to pay a slight premium to avoid income and asset verification. This would be appealing to entrepreneurs, sales people, self employed borrowers, etc who potentially might have a volatile income stream, but who are creditworthy.
- Currently, the concept of Alt-A now includes those borrowers who might have good credit history at an A-level. Furthermore, some types of borrowers may fall into an "Alt-B" category, as credit scores may be as low as 580 and can average around 660.
- It may be difficult to devise conclusive definitions and guidelines for Alt-A collateral, since definitions may vary lender to lender.

Alt-A Market Outlook

- As the housing market continues to slow, near term growth in the Alt-A sector will continue to rise during 2006. As lenders continue to find ways to bolster their pipelines, much of the growth in the Alt-A sector, continues to come from IOs and Option ARMs (Negative amortization loans). In fact, IO originations are expanding to include Fixed Rate IOs. Further origination volume may also come from rolling refi's of subprime ARM borrowers who may qualify for Alt-A or Alt-B credit.
- In the second half of 2005, prime loans accounted for 64%, sub-prime loans 21%, Alt-A loans 12%, and government loans 2% of the dollar volume of first mortgage originations. In terms of outstanding loans, the sub-prime and prime share has grown markedly in recent years as the government programs (FHA and VA) have lost significant share. According to MBA's data, at the end of 2005, prime loans accounted for 76%, sub-prime 13%, and FHA and VA the remaining 11% of outstanding loans.

Source: Mortgage Bankers Association

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[CLIENT NAME] 27

DEAL DESCRIPTION AND PERFORMANCE OVERVIEW

Summary collateral - recent shelf deals

DEAL DESCRIPTION AND PERFORMANCE OVERVIEW

Summary Statistics				
	JPMAT 2006-13 (Aggregate) Fixed Junior Prime	JPMAT 2006-AZ (SEC Group) Alt A	JPMAT 2006-AZ (Shifting Interest) Alt A	JPMAT 2006-WMC (Aggregate) Subprime
Deal Close Date	06/11/2006	04/28/2006	04/28/2006	06/16/2006
Originator	Countrywide, Greenpoint, MGT	Chase, Countrywide, Greenpoint, PHL, MGT	Chase, Countrywide, PHL, MGT	WMC
Securitization	Countrywide, Chase, Greenpoint, PHL	Chase, Greenpoint, Countrywide, PHL	Chase, Greenpoint, Countrywide, PHL	Chase
Total Balance	\$1,110,247,460	\$186,611,218	\$180,382,329	\$1,274,996,689
Arg Balance	\$301,545	\$201,290	\$150,200	\$199,812
Number of Loans	3,458	1,947	1,643	6,510
WAC	7.42%	6.84%	6.41%	8.27%
FICO	764	710	708	634
OLTV	75.21%	76.43%	74.15%	82.43%
Term Box	354	317	317	337
Months to Maturity	49	76	76	6.47%
Hybrid Type (Default Fixed Period)	15 Year (1.57%), 30 Year (97.42%)	2 Year (1.43%), 3 Year (34.11%), 5 Year (64.46%)	5 Year (58.36%), 7 Year (19.07%), 10 Year (22.56%)	
ARM	0.00%	100.00%	100.00%	79.58%
Fixed Rate	100.00%	0.00%	0.00%	20.42%
First Lien	100.00%	100.00%	100.00%	88.88%
Second Lien	0.00%	0.00%	0.00%	11.12%
Full Documentation	14.44%	11.85%	15.32%	30.52%
Purchase	49.67%	69.31%	54.30%	98.44%
Cash Out Refinance	39.32%	23.36%	33.47%	38.95%
Auto/Loan Refinance	11.04%	7.33%	12.03%	2.61%
Primary	70.49%	77.62%	88.45%	95.32%
Investment	20.74%	15.94%	7.17%	1.89%
Second / Variation	8.57%	8.42%	4.25%	2.79%
Single Family	44.78%	17.39%	16.56%	47.75%
POD	16.74%	22.53%	25.52%	14.01%
ARM	0.00%	0.00%	0.00%	0.00%
Interest Only	38.57%	89.36%	88.33%	11.23%
Net Interest Only	61.43%	10.64%	11.67%	88.77%
Top 3 States	CA (24.96%), NY (9.34%), FL (8.61%)	CA (31.25%), FL (11.74%), NV (5.84%)	CA (37.94%), FL (10.34%), MD (5.44%)	CA (41.22%), FL (2.18%), MI (1.57%)

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[CLIENT NAME] 28

Subprime vs. Alt-A

Sample pool profile	Traditional Alt-A	Traditional Subprime	Expanded Alt-A	
			High LTV / Low Doc	Lower Credit / Full Doc
WA FICO	730	600	700%	640
WA LTV	70%	80%	87%	75%
Documentation	Stated Income = 70% No Ratio = 15% NINA = 10% Full Doc = 5%	Full / Alt Doc = 75% Stated Income = 25%	NINA = 40% Stated Income = 35% No Ratio = 15% Full Doc = 10%	Full Doc = 35% Stated Income = 30% NINA = 20% No Ratio = 15%
Owner Occupied	90%	95%	70%	85%
Purpose	Purchase / Rate Term Refi = 75%	Cashout Refi / Debt consolidation with Cashout = 55% Purchase = 35%		
Max DTI range (where applicable)	38% - 45%	50% - 55%	55% - 60%	55% - 60%

DEAL DESCRIPTION AND PERFORMANCE OVERVIEW

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[CLIENT NAME] 29

JPMMT
Deals, collateral and performance

DEAL DESCRIPTION AND PERFORMANCE SUMMARY

TRANSACTION	INITIAL Reset	ORIGINAL Balance	CURRENT Balance	ORIGINAL WAC	CHARGE to WAC	CURRENT WAC	WALA	WAMA	ten CFR	3m CFR	Life Speed	30 day DQ	60 day DQ	90 day DQ
JPMMT 2005-A8 1A1	10	641,538,612	618,988,618	5.666	0.001	5.665	9	351	4.3	6.6	5.0	0.4	0.1	0.0
JPMMT 2005-A8 1A2	10	641,538,612	618,988,618	5.666	0.001	5.665	9	351	4.3	6.6	5.0	0.4	0.1	0.0
JPMMT 2005-A8 1A3	10	641,538,612	618,988,618	5.666	0.001	5.665	9	351	4.3	6.6	5.0	0.4	0.1	0.0
JPMMT 2005-A8 1A4	10	641,538,612	618,988,618	5.666	0.001	5.665	9	351	4.3	6.6	5.0	0.4	0.1	0.0
JPMMT 2005-A8 2A1	5	773,753,906	722,136,788	5.397	0.010	5.387	9	351	7.8	8.7	9.7	0.8	0.1	0.2
JPMMT 2005-A8 2A2	5	773,753,906	722,136,788	5.397	0.010	5.387	9	351	7.8	8.7	9.7	0.8	0.1	0.2
JPMMT 2005-A8 2A3	5	773,753,906	722,136,788	5.397	0.010	5.387	9	351	7.8	8.7	9.7	0.8	0.1	0.2
JPMMT 2005-A8 2A4	5	773,753,906	722,136,788	5.397	0.010	5.387	9	351	7.8	8.7	9.7	0.8	0.1	0.2
JPMMT 2005-A8 2A5	5	773,753,906	722,136,788	5.397	0.010	5.387	9	351	7.8	8.7	9.7	0.8	0.1	0.2
JPMMT 2005-A8 2A6	5	773,753,906	722,136,788	5.397	0.010	5.387	9	351	7.8	8.7	9.7	0.8	0.1	0.2
JPMMT 2005-A8 2A7	5	773,753,906	722,136,788	5.397	0.010	5.387	9	351	7.8	8.7	9.7	0.8	0.1	0.2
JPMMT 2005-A8 2A8	5	773,753,906	722,136,788	5.397	0.010	5.387	9	351	7.8	8.7	9.7	0.8	0.1	0.2
JPMMT 2005-A8 3A1	7	249,293,562	255,047,393	5.502	0.006	5.496	9	351	7.6	8.8	7.3	0.5	0.0	0.3
JPMMT 2005-A8 3A2	7	249,293,562	255,047,393	5.502	0.006	5.496	9	351	7.6	8.8	7.3	0.5	0.0	0.3
JPMMT 2005-A8 3A3	7	249,293,562	255,047,393	5.502	0.006	5.496	9	351	7.6	8.8	7.3	0.5	0.0	0.3
JPMMT 2005-A8 3A4	7	249,293,562	255,047,393	5.502	0.006	5.496	9	351	7.6	8.8	7.3	0.5	0.0	0.3
JPMMT 2005-A8 4A1	7	123,388,747	116,687,075	5.580	0.002	5.578	10	350	1.3	8.2	7.7	0.6	0.0	0.0
JPMMT 2005-A8 5A1	1	14,524,561	10,029,444	4.463	0.095	4.368	10	350	81.3	67.0	41.7	0.0	0.0	0.0
JPMMT 2005-A8 6A1	5	167,759,706	137,960,744	5.440	0.012	5.429	10	350	0.2	7.6	9.4	0.8	0.0	0.0
JPMMT 2005-A8 6A2	5	167,759,706	137,960,744	5.440	0.012	5.429	10	350	0.2	7.6	9.4	0.8	0.0	0.0
JPMMT 2005-A8 6A3	5	167,759,706	137,960,744	5.440	0.012	5.429	10	350	0.2	7.6	9.4	0.8	0.0	0.0
JPMMT 2005-A8 6A4	5	167,759,706	137,960,744	5.440	0.012	5.429	10	350	0.2	7.6	9.4	0.8	0.0	0.0
JPMMT 2006-A1 1A1	3	56,524,452	52,875,607	5.207	0.022	5.185	12	348	4.5	10.8	8.0	0.0	1.9	0.2
JPMMT 2006-A1 1A2	3	56,524,452	52,875,607	5.207	0.022	5.185	12	348	4.5	10.8	8.0	0.0	1.9	0.2
JPMMT 2006-A1 1A3	3	56,524,452	52,875,607	5.207	0.022	5.185	12	348	4.5	10.8	8.0	0.0	1.9	0.2
JPMMT 2006-A1 2A1	5	519,108,992	480,411,495	5.668	0.031	5.637	9	351	16.6	14.4	12.6	0.8	0.0	0.1
JPMMT 2006-A1 2A2	5	519,108,992	480,411,495	5.668	0.031	5.637	9	351	16.6	14.4	12.6	0.8	0.0	0.1
JPMMT 2006-A1 2A3	5	519,108,992	480,411,495	5.668	0.031	5.637	9	351	16.6	14.4	12.6	0.8	0.0	0.1
JPMMT 2006-A1 2A4	5	519,108,992	480,411,495	5.668	0.031	5.637	9	351	16.6	14.4	12.6	0.8	0.0	0.1
JPMMT 2006-A1 2A5	5	519,108,992	480,411,495	5.668	0.031	5.637	9	351	16.6	14.4	12.6	0.8	0.0	0.1
JPMMT 2006-A1 3A1	7	255,459,681	240,368,719	5.923	0.021	5.901	8	352	22.6	10.0	9.7	1.0	0.0	0.1
JPMMT 2006-A1 3A2	7	255,459,681	240,368,719	5.923	0.021	5.901	8	352	22.6	10.0	9.7	1.0	0.0	0.1
JPMMT 2006-A1 3A3	7	255,459,681	240,368,719	5.923	0.021	5.901	8	352	22.6	10.0	9.7	1.0	0.0	0.1
JPMMT 2006-A1 3A4	7	255,459,681	240,368,719	5.923	0.021	5.901	8	352	22.6	10.0	9.7	1.0	0.0	0.1

JPMorgan

[CLIENT NAME] 30

CFLEX Deals, collateral and performance

DEAL DESCRIPTION AND PERFORMANCE OVERVIEW

TRANSACTION	Original Balance	Current Balance	Original WAC	Change In WAC	Current WAC	WALL	WALK	1m CDR	3m CDR	Life Span	30 day DQ	60 day DQ	90 day DQ
CFLEX 2005-1 141	46,108,259	39,247,529	5.889	0.017	5.872	19	338	8.0	12.1	13.4	1.4	0.0	0.0
CFLEX 2005-1 142	46,108,259	39,247,529	5.889	0.017	5.872	19	338	8.0	12.1	13.4	1.4	0.0	0.0
CFLEX 2005-1 143	46,108,259	39,247,529	5.889	0.017	5.872	19	338	8.0	12.1	13.4	1.4	0.0	0.0
CFLEX 2005-1 144	143,156,223	102,722,022	6.306	0.006	6.299	19	337	18.6	25.4	20.0	3.0	0.1	0.1
CFLEX 2005-1 145	95,729,429	61,803,596	6.671	0.025	6.646	19	337	26.4	29.4	27.7	3.8	1.0	0.7
CFLEX 2005-1 141	77,353,551	56,812,395	6.264	0.060	6.204	19	338	8.4	11.7	18.2	2.0	0.0	0.4
CFLEX 2005-1 142	77,353,551	56,812,395	6.264	0.060	6.204	19	338	8.4	11.7	18.2	2.0	0.0	0.4
CFLEX 2005-1 143	77,353,551	56,812,395	6.264	0.060	6.204	19	338	8.4	11.7	18.2	2.0	0.0	0.4
CFLEX 2005-1 144	77,353,551	56,812,395	6.264	0.060	6.204	19	338	8.4	11.7	18.2	2.0	0.0	0.4
CFLEX 2005-1 145	77,353,551	56,812,395	6.264	0.060	6.204	19	338	8.4	11.7	18.2	2.0	0.0	0.4
CFLEX 2005-1 146	19,867,057	11,168,530	6.620	0.075	6.545	19	336	3.3	21.3	32.2	1.2	0.0	1.6
CFLEX 2005-1 141	82,148,945	66,087,539	6.259	0.010	6.249	19	338	19.7	13.1	14.2	1.1	0.3	0.2
CFLEX 2005-2 141	142,396,120	103,221,774	6.311	0.011	6.300	16	340	21.1	22.9	23.0	2.7	0.5	0.1
CFLEX 2005-2 142	107,844,163	69,751,544	6.442	0.016	6.427	16	338	28.1	29.3	29.9	2.4	0.6	0.2
CFLEX 2005-2 143	111,386,810	70,663,364	6.569	0.032	6.537	15	341	16.9	19.4	23.2	3.4	0.0	0.0
CFLEX 2005-2 141	114,087,473	79,024,779	6.369	0.039	6.330	16	341	28.4	28.3	25.9	1.3	0.0	0.0
CFLEX 2005-2 142	114,087,473	79,024,779	6.369	0.039	6.330	16	341	28.4	28.3	25.9	1.3	0.0	0.0
CFLEX 2005-2 143	114,087,473	79,024,779	6.369	0.039	6.330	16	341	28.4	28.3	25.9	1.3	0.0	0.0
CFLEX 2005-2 144	18,634,875	10,207,650	6.736	0.034	6.702	16	342	41.2	36.3	36.7	1.4	0.0	0.0
CFLEX 2005-2 141	27,742,283	24,392,866	5.423	0.002	5.421	18	199	27.5	11.1	5.8	1.8	0.0	0.0
CFLEX 2005-2 142	56,649,372	46,866,621	5.738	0.004	5.735	18	198	16.4	9.3	8.0	2.1	0.4	0.0
CFLEX 2005-2 143	20,712,548	16,915,596	6.150	0.009	6.141	18	160	38.9	16.4	12.0	1.6	0.3	0.0
CFLEX 2005-2 141	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFLEX 2005-2 142	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFLEX 2005-2 143	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFLEX 2005-2 144	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFLEX 2005-2 145	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFLEX 2005-2 146	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFLEX 2005-2 147	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFLEX 2005-2 148	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0

JPMorgan

[CLIENT NAME] 31

Alt-A

[Need to Update]

Deals, collateral and performance

Alt-A Deals, collateral and performance													
TRANSACTION	Original Balance	Current Balance	Original WAC	Change in WAC	Current WAC	WALR	WAM	1m CPR	3m CPR	Life Speed	30 day DQ	60 day DQ	90 day DQ
CFIX 2005-1 141	49,108,259	39,247,529	5.889	0.017	5.872	19	338	8.0	12.1	13.4	1.4	0.0	0.0
CFIX 2005-1 142	49,108,259	39,247,529	5.889	0.017	5.872	19	338	8.0	12.1	13.4	1.4	0.0	0.0
CFIX 2005-1 143	49,108,259	39,247,529	5.889	0.017	5.872	19	338	8.0	12.1	13.4	1.4	0.0	0.0
CFIX 2005-1 144	143,556,223	102,732,822	6.306	0.006	6.299	19	337	18.6	28.4	26.0	3.0	0.5	0.1
CFIX 2005-1 145	99,729,429	67,803,599	6.471	0.025	6.446	19	337	26.4	29.4	27.7	3.8	1.0	0.7
CFIX 2005-1 241	77,353,551	56,812,395	6.264	0.060	6.204	19	338	8.4	11.7	18.2	2.0	0.0	0.4
CFIX 2005-1 242	77,353,551	56,812,395	6.264	0.060	6.204	19	338	8.4	11.7	18.2	2.0	0.0	0.4
CFIX 2005-1 243	77,353,551	56,812,395	6.264	0.060	6.204	19	338	8.4	11.7	18.2	2.0	0.0	0.4
CFIX 2005-1 244	77,353,551	56,812,395	6.264	0.060	6.204	19	338	8.4	11.7	18.2	2.0	0.0	0.4
CFIX 2005-1 245	77,353,551	56,812,395	6.264	0.060	6.204	19	338	8.4	11.7	18.2	2.0	0.0	0.4
CFIX 2005-1 246	19,867,897	11,548,530	6.823	0.079	6.744	19	336	3.3	21.3	32.2	1.2	0.0	1.6
CFIX 2005-1 341	82,646,945	66,887,639	6.289	0.010	6.249	19	338	19.7	13.1	14.2	1.1	0.3	0.2
CFIX 2005-2 141	142,498,120	103,221,378	6.311	0.011	6.300	16	340	21.1	22.9	23.0	2.7	0.5	0.1
CFIX 2005-2 142	107,844,063	69,745,564	6.482	0.015	6.467	16	338	28.1	29.3	29.9	2.6	0.6	0.2
CFIX 2005-2 242	11,138,610	8,863,364	6.569	0.032	6.537	15	341	16.9	19.4	23.2	0.4	0.0	0.0
CFIX 2005-2 341	114,887,473	79,834,779	6.369	0.039	6.330	16	341	28.4	26.3	25.9	1.3	0.0	0.0
CFIX 2005-2 342	114,887,473	79,834,779	6.369	0.039	6.330	16	341	28.4	26.3	25.9	1.3	0.0	0.0
CFIX 2005-2 343	114,887,473	79,834,779	6.369	0.039	6.330	16	341	28.4	26.3	25.9	1.3	0.0	0.0
CFIX 2005-2 344	16,634,875	10,257,650	6.736	0.024	6.702	16	342	41.2	36.3	26.7	1.4	0.0	0.0
CFIX 2005-2 441	27,742,283	24,292,866	5.423	0.002	5.421	18	199	27.5	11.1	5.8	1.8	0.0	0.0
CFIX 2005-2 442	54,649,312	46,836,621	5.738	0.004	5.735	18	198	14.4	9.3	8.0	2.1	0.4	0.0
CFIX 2005-2 443	26,712,548	16,915,590	6.150	0.009	6.141	18	160	36.9	16.4	12.0	1.6	0.3	0.0
CFIX 2005-2 541	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFIX 2005-2 542	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFIX 2005-2 543	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFIX 2005-2 544	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFIX 2005-2 545	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFIX 2005-2 546	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFIX 2005-2 547	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0
CFIX 2005-2 548	113,214,008	98,110,747	5.907	0.010	5.897	16	340	9.9	7.7	10.3	1.0	0.3	0.0

DEAL DESCRIPTION AND PERFORMANCE OVERVIEW

JPMorgan

[CLIENT NAME] 32

Agenda

	Page
Market overview	1
JPMorgan mortgage banking qualifications	7
Acquisition and securitization process	13
Deal description and performance overview	23
JPMT 2010-2012 Economics	27
Exhibit 1	38

CURRENT OPPORTUNITIES IN THE NON-AGENCY MARKET



[CLIENT NAME] 33

Relative Value

JPMMT 2006-A4 ECONOMICS

Non-Agency

		15 CPB	20 CPB	25 CPB	35 CPB
JPMMT 06-A4 5A1 3/1	Yield	5.75	5.75	5.75	5.75
	Spread (N)	20	20	20	21
	Spread (I)	66	65	65	63
	WAL	2.20	2.04	1.89	1.60
JPMMT 06-A4 1A1 5/1	Yield	5.91	5.91	5.90	5.89
	Spread (N)	38	37	36	34
	Spread (I)	85	84	82	79
	WAL	3.30	2.91	2.57	2.00
JPMMT 06-A4 2A1 7/1	Yield	5.99	6.00	6.01	6.46
	Spread (N)	45	46	48	50
	Spread (I)	94	94	95	95
	WAL	4.03	3.44	2.94	2.16
JPMMT 06-A4 3A1 10/1	Yield	6.21	6.24	6.27	6.34
	Spread (N)	66	70	73	80
	Spread (I)	118	119	121	125
	WAL	4.73	3.88	3.20	2.24

Non-Agency Hybrids

still the

cheapest

asset

in its space

Agency 5/1

		15 CPB	20 CPB	25 CPB	35 CPB
5/1	Yield	5.64	5.62	5.62	5.57
	Spread (N)	11	10	7	2
	Spread (I)	59	57	55	49
	WAL	3.24	2.88	2.56	2.02

Front SEQ, 15 Year Agency CMO

		110 PSA	140 PSA	183 PSA	480 PSA
15 Yr	Yield	5.61	5.63	5.66	5.74
	Spread (N)	6	10	11	12
	Spread (I)	60	62	70	80
	WAL	4.64	4.23	3.74	1.91

Non-Agency 15 Year PT

		75 PSA	100 PSA	250 PSA	300 PSA	350 PSA
15 Yr	Yield	5.74	5.77	5.91	5.96	6.00
	Spread (N)	14	17	34	40	46
	Spread (I)	70	72	87	91	96
	WAL	6.60	6.20	4.43	4.01	3.65

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[CLIENT NAME] 34

5/1 Structure

JPMMT 06-A4 1A2 1.4 Yr Sequential			
Speed	15 CPB	20 CPB	25 CPB
Price	99-18+	99-18+	99-18+
Yield	5.88	5.87	5.85
Spread	34	33	32
WAL	2.36	1.80	1.40
Modified Duration	2.09	1.63	1.29
Principal Window	Jul06-Feb11	Jul06-Aug10	Jul06-Sep09

JPMMT 06-A4 1A3 3.75 Yr Sequential			
Speed	15 CPB	20 CPB	25 CPB
Price	99-19	99-19	99-19
Yield	5.95	5.94	5.94
Spread	39	39	40
WAL	4.80	4.46	3.69
Modified Duration	4.08	3.83	3.24
Principal Window	Feb11-Feb11	Aug10-Feb11	Sep09-Jul10

JPMMT 06-A4 1A4 5/1 Last Cashflow			
Speed	15 CPB	20 CPB	25 CPB
Price	100-1	100-1	100-1
Yield	5.84	5.84	5.84
Spread	28	28	28
WAL	4.91	4.88	4.76
Modified Duration	4.16	4.14	4.05
Principal Window	Apr11-May11	Feb11-May11	Jul10-May11

JPMMT 2006-A4 ECONOMICS

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[CLIENT NAME] 35

7/1 Structure

JPMMT 06-A4 2A2 1.8 Yr Sequential			
Speed	15 CPB	20 CPB	25 CPB
Price	99.18+	99.18+	99.18+
Yield	5.92	5.92	5.92
Spread	38	37	38
WAL	3.07	2.32	1.81
Modified Duration	2.64	2.05	1.63
Principal Window	Jul06-Mar13	Jul06-May12	Jul06-Jan11

7/1 Last Cashflow			
Speed	15 CPB	20 CPB	25 CPB
Price	99.8+	99.8+	99.8+
Yield	5.97	5.97	5.97
Spread	39	39	40
WAL	6.85	6.72	6.23
Modified Duration	5.50	5.42	5.07
Principal Window	Mar13-May13	May12-May13	Jan11-May13

JPMMT 2006-A4 ECONOMICS

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[CLIENT NAME] 36

10/1 Structure

JPMMT 06-A4 3A2 1.35 Yr Sequential			
Speed	15 CPB	20 CPB	25 CPB
Price	99-26	99-26	99-26
Yield	5.97	5.94	5.90
Spread	43	40	37
WAL	2.35	1.73	1.35
Modified Duration	1.25	2.08	1.57
Principal Window	Jul06-Nov11	Jul06-Jun10	Jul06-Jul09

JPMMT 06-A4 3A3 3.5 Yr Sequential			
Speed	15 CPB	20 CPB	25 CPB
Price	99	99	99
Yield	6.20	6.24	6.27
Spread	63	69	74
WAL	5.87	4.51	3.50
Modified Duration	4.61	3.70	2.98
Principal Window	Jul06-Feb16	Jul06-Jun15	Jul06-Jun13

JPMMT 06-A4 3A4 10/1 Last Cashflow			
Speed	15 CPB	20 CPB	25 CPB
Price	99-16	99-16	99-16
Yield	6.09	6.09	6.09
Spread	47	47	48
WAL	9.80	9.67	8.87
Modified Duration	7.22	7.15	6.68
Principal Window	Feb15-May16	Jun15-May16	Jun13-May16

JPMMT 06-A4 ECONOMICS

JPMorgan

[CLIENT NAME] 37

Agenda	
	Page
Market overview	1
JPMorgan mortgage banking qualifications	7
Acquisition and securitization process	13
Deal description and performance overview	23
JPMMT 2006-A4 economics	33
Example	38
■ Due diligence process	

CURRENT OPPORTUNITIES IN THE NON-AGENCY MARKET

JPMorgan

[CLIENT NAME] 38

Due Diligence Objectives

To ensure the loans being purchased are compliant with the terms of the trade and all Federal, State, and local laws and regulations, loan level due diligence is performed on every transaction.

The objectives of loan level due diligence are to:

- Confirm the mortgage loans were originated consistent with the specific origination guidelines provided by seller
- Confirm the mortgage loans were originated in compliance with Federal, State and local laws, rules and regulations
- Confirm the mortgage loans were not originated in a fraudulent or predatory manner
- Confirm the property collateral has the value represented in the appraisals at the time of origination
- Confirm the loan data is complete and accurate
- Confirm collateral documents are complete
- Confirm the loan portfolios weighed average characteristics are within acceptable percentage variances (+ or -) specific to each transaction

EXHIBIT 1

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[CLIENT NAME] 39

Data Review

The Trade Analytics department reviews all bid tape data pre-bid and pre-funding to confirm completeness and accuracy.

The review consists of:

- Required data fields are tested and verified for completeness and reasonableness.
- Key data elements are cross validated to determine accuracy (e.g. term and origination date to maturity date).
- Missing and questionable data is identified, reviewed and resolved with the client or flagged for further review in due diligence.
- 100% of the loan data is reviewed and stratified to confirm adherence to the trade requirements and stipulations.
- Some of the fields that are reviewed are listed below but are not limited to:

➤ Loan Amount	➤ Debt to Income
➤ Rate	➤ Loan Purpose
➤ Term	➤ Property Type
➤ Loan to Value	➤ FICO Score

EXHIBIT 1

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[CLIENT NAME] 40

Credit and Compliance: Sample Selection

Credit and Compliance reviews are performed on a sample of loans. Sample sizes generally range from 20% to 30% but may be as high as 100% for new clients or for transactions comprised of a small number of loans. Samples will contain the following components and characteristics:

- Overall sample size 20-30% in some cases 100%
- Random sample of 10-20% (50% of overall sample size)
- Adverse sample of 10-20% (50% of overall sample size)

➤Targets individual and combinations of risk characteristics factors:

- Loans identified based on adverse loan characteristics by due diligence coordinator
- Loans identified based on risk grading provided by desk model
- Sample all loans in unlimited assignee liability states
- Sample all loans in states identified with specific predatory lending laws

EXHIBIT 1

JPMorgan 

[CLIENT NAME] 41

Credit Review

The loan reviews are performed at either the Seller's or the Due Diligence firms facilities. The diligence firms used are widely recognized in the industry for their knowledge, experience, technology, compliance review tools and reporting capabilities. Experienced underwriters are employed to re-underwrite the loans by reviewing the selected sample.

The review consists of but is not limited to:

- Confirming the adherence to specific origination guidelines
- Verification and recalculation of:
 - Income
 - Debt
 - Borrowers debt to income ratios
 - Payment and credit History
 - Loan to value
- Review of the legal documents for completeness and accuracy

EXHIBIT 1

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[CLIENT NAME] 42

Compliance Review

The Compliance review is performed at the same time as the credit review. The due diligence firms maintain comprehensive software-based compliance validation tools. Thacher Proffitt & Wood, a preeminent legal firm in the regulatory compliance field, provides updates and information to the diligence firms to ensure their compliance systems are current and comprehensive.

All the following are reviewed and validated:

- Compliance with all federal, state and local laws, rules and regulations is confirmed
- Presence, form and completeness of all required disclosures and notices is confirmed
- Truth in lending disclosure values and finance charges are recalculated and validated
- Right of Rescission notice dates are validated against HUD1 and DOT and signatures and form of notices are validated
- Prepayment penalty terms are verified and validated against federal state and local requirements

EXHIBIT 1

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[CLIENT NAME] 43

Credit and Compliance Results

The score represents the following:

- Upon completion of the reviews the underwriter gives each loan an event level score of 1, 2 or 3 specifically for credit and another for compliance.
 - 1= Pass/Meets Guidelines
 - 2= Pass/Meet Guidelines with compensating factors
 - 3= Fail/Does not meet guidelines
- All loans scored with an event level score of 2 or 3 are reviewed by the JPMorgan due diligence coordinator for final score determination.
- All loans with a final score in event level 3 are excluded from being purchased.

EXHIBIT 1

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[CLIENT NAME] 44

Predatory Lending Review

JP Morgan does not purchase:

- Section 32 "HOEPA" Loans
- Federal, state or local high cost loans
- Predatory loans

All loans that it is determined have the above characteristics are excluded from being purchased

EXHIBIT 1



[CLIENT NAME] 45

Property Value Analysis

100% of the loans are subjected to a property value analysis. The analysis is multi-staged and is performed by experienced third party residential valuation firms. The analysis process is as follows:

- 1) All loans are run through an AVM waterfall to obtain the highest quality AVM available.
- 2) All Property Valuation analysis that have any of the following results or characteristics undergo a full appraisal review by an experienced certified appraiser.
 - No AVM result available
 - AVM result is higher or lower than appraised value by 15%
 - AVM result has a low or no confidence factor
 - All manufactured housing properties
 - High balance loans and other adversely selected loans
- 3) If after the appraisal review the appraised value still cannot be supported than the BPO is ordered.
- 4) If the BPO value cannot support the appraisal value the loan is then excluded from being purchased.

EXHIBIT 1

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[CLIENT NAME] 46

Property Value Analysis Results

- 1) AVM Approval
- 2) Approval per additional review
- 3) Unacceptable needs further review
- 4) Unable to complete property review pending appraisal
- 5) Property review dropped from pool.

EXHIBIT 1

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[CLIENT NAME] 47